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ARIZONA CORPORATION COMMISSION

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Judge

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2008 FEB 12 P 1:16

AZ CORP COMMISSION
DOCKET CONTROL

February 12, 2008

Mr. Jeffrey Crockett
Mr. Robert J. Metli
Snell & Wilmer L.L.P.
One Arizona Center
400 East Van Buren
Phoenix, Arizona 85004
Attorneys for Arizona Public Service Company

Arizona Corporation Commission
DOCKETED

FEB 12 2008

DOCKETED BY	<i>mm</i>
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Mr. Thomas H. Campbell
Mr. Michael T. Hallam
Lewis and Roca, LLP
40 North Central Avenue, Suite 1900
Phoenix, Arizona 85004
Attorneys for Verizon California, Inc.

Re: In the Matter of Arizona Public Service Company and Verizon California, Inc.'s Joint Petition for the Establishment of an Underground Conversion Service Area, Docket Nos. E-01345A-07-0663 and T-01846B-07-0663

Dear Sirs:

Enclosed please find copies of correspondence in the above-referenced matter received by the Arizona Corporation Commission ("Commission") since the hearing on January 18, 2008. As noted in my prior letters, this correspondence may also be viewed electronically by using the e-Docket function on the Commission website (<http://www.azcc.gov/>).

Sincerely,

Sarah N. Harpring
Administrative Law Judge

Enclosure

cc:

Mr. Christopher Kempley
Ms. Robin Mitchell
Mr. Ernest G. Johnson
Docket Control

SNH:snh

1200 WEST WASHINGTON STREET; PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET; TUCSON, ARIZONA 85701-1347

www.cc.state.az.us

This document is available in alternative formats by contacting Linda Hogan, ADA Coordinator, voice phone number 602-542-3931, E-mail LHogan@cc.state.az.us

HEARING

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2008 JAN 29 P 3:51

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

To Docket Control

Subject: Docket # E-01345A-07-0663
T-01846B-07-0663

As new property owners in
Hillcrest Bay we are very much
for the establishment of an
underground conversion service
area.

Dudley & Jo Ann Palmer
lot 310-32-189A

867 Max View Dr.
Parker, AZ 85344

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JAN 29 2008

ARIZONA CORPORATION COMMISSION
HEARING DIVISION

HEARING

Mr. Duane E. Ferguson
2814 Manor View Drive
Parker Dam, Arizona 85344
Phone (928) 667-4568
APN 310-32-020
APN 310-32-021

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FEB 11 2008

ARIZONA CORPORATION COMMISSION
HEALTH DIVISION

Arizona Corporation Commission
Attention: Judge Sarah Harpring
1200 W. Washington Street
Phoenix, Arizona 85007
Docket Numbers E-01345A-07-0663
T-01846B-07-0663

Please be advised that I am 75 years of age, and a 'year around' resident, of Hillcrest Bay, I am also on a 'fixed income', and can NOT afford the cost of the proposed Underground Utility Project. I have never been in favor of this or have I signed any 'petitions' claiming otherwise.

Due to Health matters, I was required to enroll with "Life Alert", which I have to pay a monthly fee. Along with the rising costs of the prescription drugs, my Doctor prescribed, and the rising cost of living, I am barely making my obligations now.

I Thank You for your time regarding this matter.

Regards,

Duane E. Ferguson 2-9-08

Duane E. Ferguson
2814 Manor View Drive
Parker Dam, Arizona 85344
(928) 667-4568
APN 310-32-020
APN 310-32-021

AZ CORP COMMISSION
DOCKET CONTROL

2008 FEB 11 A 10:41

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Feb. 8, 2008

TO: ACC DOCKET CONTROL

FROM: GLENN ECKER
880 CRYSTAL VIEW DR
PARKER, AZ. 85344
PARCEL# 310-32-135A
TEL# 928-667-4475

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2008 FEB 11 A 10:42

AZ CORP COMMISSION
DOCKET CONTROL

ARIZONA CORPORATION COMMISSION
HEARING DIVISION

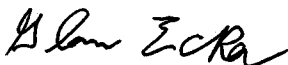
FEB 11 2008

Regarding docket# E-01345A-07-0663 & T01846-07-0663

I strongly object to the proposed underground utilities project in Hillcrest Bay Mobile Manor. I am retired and live full time in Hillcrest Bay. There are approximately 50 lots that have full time residents. Most of us are retired and moved here primarily because of the solitude and the affordable housing opportunities. Nearly all of the full time residents live on a fixed income. The proposed utility underground project will impose a severe financial hardship on those of us living here full time on fixed incomes not to mention the burden of having restricted access to our homes and the loss of water service for extended periods of time. The financial burden, according to John Sears, is minimal because we can pay for this project over a 15 year period. This is only partially true because we will only be allowed to finance the street portion. The cost to provide connection from the street to the meter on your house must be paid in full at the time of connection. My cost is \$9139.43 for the public area and \$10757.17 for the service connection on my lot which must be paid in a lump sum in order to get service. I have no options available to me because even if I could sell my house in this depressed real estate market, I would not be able to find a new residence for an equal or lower cost. The other glaring inequity of this project is the apportionment of the cost. Placing the utilities underground is of little benefit to me because I do not have a lake view lot and the utilities are at the rear of my property and out of site. The people with the lake view lots would benefit greatly and should pay the majority of the cost if this project proceeds. The argument that we would all benefit is only partially true. Half would benefit greatly and half would benefit hardly at all. Let those who voted yes pay for the entire cost if they feel so strongly about this project. Another interesting fact is that of the 50 or so lots with full time residents, 56% voted no while only 44% voted yes. Also, if property values are increased, so will taxes, which is another negative. I know that many who voted yes were pressured and intimidated into signing the petitions.

In conclusion I would like to mention the fact that I have spent 30 plus years as an outside plant engineer in the communications industry and have engineered 6 projects like this one. I also acted as coordinator and project manager and have never seen one completed without extreme difficulties and service interruptions. All were initiated by city, county or state agencies. None were by private property owners.

Glenn Ecker



HEARING

ACC Docket Control
1200 W. Washington Street
Phoenix, Arizona 85007

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Docket Numbers
E-01345A-07-0663
T-01846B-07-0663

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

ARIZONA CORPORATION COMMISSION
HEARING DIVISION

I understand that the underground utilities conversion only past by a small amount of square footage. My question is if county owns parcel 310-32-274, but declined to voluntarily participate in the underground conversion service, why is this not considered a no vote and the square footage of said parcel not added.

I feel that the people who could lease afford, such as the elderly and low income did not have the money to fight it like the HOA did. Thousands of dollars have been spent for the consultant, paper, printing, stamps and materials mailed out. It was paid out of the same funds that the homeowners who were against have to pay into each year as dues, but did not have access to. The HOA board also paid for the consultant to testify at the hearing. The board voted 2 of the 3 lots owned by the HOA as a yes vote thus adding a cost to each homeowner. With the conversion we will be losing our street lights and if they are replace will be an additional cost to each own owner.

Johnny Dodson
816 Bayview Dr
Parker AZ 85344
928-667-3415

Johnny A. Dodson
2-7-08

Parcel Number 310-32-043A

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2008 FEB 11 A 10:43

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FEB 11 2008

ARIZONA CORPORATION COMMISSION
HEARING DIVISION

Judy C. Wilson
Rodney W. Kawagoye
2971 Dunlap Dr.
Parker, AZ. 85344-8162
Phone (928) 667-2837
APN 310-32-240
Docket Numbers E-01345A-07-0663
T01846B-07-0663
Arizona Corporation Commission
Attention: Judge Sarah Harpring
1200 W. Washington Street
Phoenix, AZ. 85007

We are 'full time' residents of Hillcrest Bay, we continue to be against the Underground Utilities Project, at any cost to us. I believe that there are ONLY 43 property's, that are 'year round' residents

We have attached a letter I sent to Mr. John Sears, heading up this project, I also sent one to the Board of Directors of Hillcrest Bay, Feb. 7, 2008.

I have since, received a copy of the Memorandum, dated Jan. 14, 2008, with names & square footage, thus deciding the individual cost to the property owners.

I noticed that some property owners, that voted 'yes', and are showing a similar 'square footage' area as our lot, seem to have been quoted a 'lower' dollar amount, for the project. I believe this to be a deliberate error in their reporting, due to the fact the percentage of square footage had to equal to 60% of the entire development, and the numbers are just not adding up right, to me

Also, when receiving any correspondence regarding Hillcrest Bay, they have always reported that we have '190' lots. Those trying to pass this, are now reporting '153' lots. This would cause a major difference of signatures required.

I have every copy of anything that has been made available to the property owners, during this entire on-going project, and continue to believe their has been a mis-use of this association's funds. I even wrote to the Attorney General, in regards to this, and was told to 'hire a Lawyer'.

At the 2006 Annual Meeting, Mr. Dennis Ingram asked for an Independent Audit to be done. The request was never addressed. If someone would take the time to check Hillcrest Bay.com, on the

internet, and just browse nothing other than the Treasure's Report, in Minutes during the last couple of years, you would see how confusing figures are, with no explanation, or detailed reporting.

The former Board of Directors have gone, non of them were 'full time' residents, of the park. They hired Mr. Romero as a 'consultant' regarding this project, and I understand he works for APS now. We paid \$37,000.00 to APS, in 2006, according to a letter written by Art Ward, for initial 'survey', the Association was reimbursed only \$28,000.00 from APS, later. I feel that former Board Members might have 'used' Mr. Romero to attain funds, for themselves, as there is no way he should have been paid \$8,000.00, for the two days he walked through the park, just looking at our existing system.

We have always been against this, we CANNOT afford this, both Rodney & I being 58 years of age, and already paying a hefty mortgage amount as it is, adding in constantly rising costs in Home Owners Insurance, the rising cost of utilities, (APS being allowed to increase their rates 23%, recently), the price of fuel for our cars, always going up.

Then to have Members, that don't even reside here, year round, constantly try to 'intimidate' homeowners into signing petitions, for a project that if not paid for, when initial installation is completed, will have a new 'loan' to pay on, at 8%, the latest figure quoted, and a lien on their property, till that loan is paid in full.

I had to wait until I was 48 years old, to finally realize my 'life long' dream, of becoming a 'property owner', and the thought of losing my house over this, has just made me sick. I am experiencing 'health' problems, brought on by just the stress of all this.

In Mr. Sear's last letter about 'update' regarding this, he sounds like a 'used car salesman'. A telephone pole (placed 30 years ago) fell over, into the street, a month or so ago. Thank God no one hurt or injured, but in his remarks, he refers to 'falling poles', causing maybe the loss of life, like this is OUR FAULT.

*Mr. John Sears
Underground Utility Chairman*

Good Evening, to you Sir,

I have been a 'full time' resident, in Hillcrest, since 1991, I rented a friends mobile, until I was finally able to purchase Lot 240, and put a Mobile on it, in 1998. I have been responsible for the monthly APS bill, the entire time I have lived here.

When choosing my mobile home, I had 'dual-pane' windows, R-3 insulation, and a larger sized A/C unit put in, to help lower the high cost of my power bills, during our summer months. I also had floor plan 'flipped' so I would not have windows on the side where the 'afternoon sun' is.

During the seventeen years I have lived here, I have paid APS an average of \$300 a month, during the 3 months of 'Summer', every year. I have never received a bill for less than \$75 a mo., even when I had propane for heating.

This year we installed a 'larger' A/C unit, also new Washer & Dryer, also a new Refrigerator, all because they were all approved to be more 'energy efficient', and yes, they reduced our monthly use of power. Then, a few months ago, APS gave us a 'rate increase', so our power bill has remained the same.

I can only speak for myself, but I feel that I have been paying for 'my cost' of upgrading our service, and will continue to pay for it, until I am no longer able to write the check.

We have commercial property in Bouse, I paid over \$6,000 for a 'pole' there, and was told, that after 2 years of continued service, my money would be returned, for the cost of the pole. Its been over 3 years of continued service, and I still have not gotten any money, or any credit from APS.

When I moved to new mobile, here at Hillcrest, I had to pay a deposit on the "Meter" installed for my water service. Every year, I have received a percentage of that original cost, back, lasting until my 'deposit' has been paid in full, 'back to me'. My deposit was probably in an 'escrow' type of account, which benefited them, but because it is 'their' equipment, and I pay them all year round, and when I leave, I do not plan on taking 'their water meter', with me, I believe this to be a better way for a 'utility' to conduct itself. The phone company (I believe it was GTE then), also returned my deposit for having it 'turned on'.

Three years ago, when the underground idea arose, the figure of \$3,000, was thought to be what all the home owners would be 'committing' to. I am 58 years old, and unable to make income from the 'service' industry, I have always been employed by, and

due to my age, there are not a lot of jobs out there, or ones that I could physically handle now. But when this figure was mentioned, (maybe even lower), I started thinking about opening a 'lemonade stand' to raise the money.

You mention in your letter, regarding communities in the 'greater Phoenix area', and I believe the article read that a development, similar in size, to that of Hillcrest, the cost to home owners was ranging between \$15,000 to \$25,000. The last figure I received, for cost of my lot was over \$27,000, but due to the fact I received estimate for 'trenching' on Hillcrest letterhead, and no actual contractor's name and company that would actually 'do' this work, I still have no 'final' dollar amount as to what this lot, will be.

You mention our 'aging and dangerous overhead system', and I have to ask the questions, "Whose fault is this?" "What has my last 17 years of paying my bill on time, all year, going towards?" We live by the deepest dam in the world (at least till china finishes theirs), and pay higher rates, per capita, than most of the nation.

When APS and Verizon were doing the work at Havasu Springs, and both utilities had 'extra' workers here, already, and knowing the 'age' and 'condition' of our systems, I feel they should of gone ahead, and done this work then. If the people who live here, all year round, keep paying their 'ever rising' bills, and these utilities keep putting in, to raise our rates, (when was the last time you've heard a utility 'lowering' a rate?) it would of worked out, eventually.

Factoring in that Hillcrest is located at the edge of the county line, and in order to do this job, in a timely fashion, Verizon & APS will need to bring workers 'in', therefore driving the cost higher, to feed & house them, while working here, then add the fact that there are so few 'year round' people here and the "\$" amount in revenue to these utilities being so low, (we are 'not' in a 'greater' area, remember) also the need for "Land Lines", being reduced by so many 'cell phone' companies being introduced every day, in the name of progress, I think the utilities will find this project 'cost prohibitive', and that the cost to the home owners will end up being 'double' what we have been quoted so far.

I asked the question at the annual meeting, if Hillcrest could apply for 'Grant Money', to do this project. I have been looking into 'eligibility requirements', for 'Grants', and 'non-profit'

company's (Isn't this association a non-profit corporation?) are usually at 'the top' of these lists. Mr. Eddy gave me a quick "No" to my question, but then said that their was a 'gentlemen on staff' who 'loved the challenge' of going after Grant money, I should go talk to him. Mr. Eddy is in charge of 4 Million Dollars of Grant Money now, it is going towards docks at 'Take Off Point', road work, for Holiday Harbor, etc. Why is Holiday Harbor eligible for these funds and not Hillcrest? Did any one from the Board of Directors, of Hillcrest know of the man, on staff in our county offices, that only does this type of research, on how to apply for Grant Money?

You also mention 40 additional poles being put in, does this suggest that 'none' of the ones already considered a 'hazard', and that are capable of causing loss of life & property, have to actually 'fall' to be addressed by these utilities? Where is the money coming from to pay for the 40 new poles? Are the utilities contributing the cost for poles towards this project? I'm sorry, this sounds like a "win-win" for these utility companies, only. I will still be paying high amounts monthly, with added rate increases, as history has shown, and could probably 'lose' everything I have ever worked for, in the bargain.

Mr. Sears, I have the utmost respect for you, the time and effort you have put forth for this project, has been outstanding, and I applaud you. As I wrote earlier, I can only speak for myself, and I mean no dis-respect to you when I say, I just CANNOT afford this, and the talk of these utilities putting 'liens' on our properties, and then interest compounding on the unpaid balance owed, is making me a nervous wreck.

I'm sorry for taking so much of your time, in reading this, but I had to voice my concerns. .

Sincere regards,

Rodney W. Kawagoye 2-9-08
Rodney W. Kawagoye

Judy C. Wilson 2-9-08
Judy C. Wilson

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